

Board, U.S. Department of Commerce, Franklin Court Building—Suite 4100W, 1099 14th St. NW., Washington, DC 20005; or

2. Submissions Via the U.S. Postal Service: Foreign-Trade-Zones Board, U.S. Department of Commerce, FCB—Suite 4100W, 1401 Constitution Ave. NW., Washington, DC 20230.

The closing period for their receipt is August 5, 2002. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period to August 20, 2002. A copy of the application and accompanying exhibits will be available for public inspection at the Office of the Foreign-Trade-Zones Board's Executive Secretary at address Number 1 listed above, and at the U.S. Department of Commerce Export Assistance Center, 5 West Hargett Street, Suite 600, Raleigh, NC 27601.

Dated: May 29, 2002.

Dennis Puccinelli,

Executive Secretary.

[FR Doc. 02-14074 Filed 6-5-02; 8:45 am]

BILLING CODE 3510-05-P

COMMODITY FUTURES TRADING COMMISSION

Sunshine Act Meeting Notice

AGENCY HOLDING THE MEETING:

Commodity Futures Trading Commission.

TIME AND DATE: 10:30 a.m., Wednesday, June 26, 2002.

PLACE: 1155 21st St., NW., Washington, DC., 9th Floor Conference Room.

STATUS: Closed.

MATTERS TO BE CONSIDERED: Rule Enforcement Review.

CONTACT PERSON FOR MORE INFORMATION:

Jean A. Webb, 202-418-5100.

Jean A. Webb,

Secretary of the Commission.

[FR Doc. 02-14347 Filed 6-4-02; 2:47 pm]

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COMMODITY FUTURES TRADING COMMISSION

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-46009]

Joint Order Excluding From the Definition of Narrow-Based Security Index Those Security Indexes That Qualified for the Exclusion From That Definition Under Section 1a(25)(B)(v) of the Commodity Exchange Act and Section 3(a)(55)(C)(v) of the Securities Exchange Act of 1934

AGENCIES: Commodity Futures Trading Commission and Securities and Exchange Commission.

ACTION: Joint order.

SUMMARY: The Commodity Futures Trading Commission ("CFTC") and the Securities and Exchange Commission ("SEC") (collectively "Commissions") by joint order under the Commodity Exchange Act ("CEA") and the Securities Exchange Act of 1934 ("Exchange Act") are excluding certain security indexes from the definition of "narrow-based security index." Specifically, the Commissions are excluding from the definition of the term "narrow-based security index" those security indexes that qualified for the exclusion from that definition under Section 1a(25)(B)(v) of the CEA and Section 3(a)(55)(C)(v) of the Exchange Act, pursuant to authority under Section 1a(25)(B)(vi) of the CEA and Section 3(a)(55)(C)(vi) of the Exchange Act. **EFFECTIVE DATE:** June 21, 2002.

FOR FURTHER INFORMATION CONTACT:

CFTC: Elizabeth L. Ritter, Esq., Deputy General Counsel, or Julian E. Hammar, Esq., Attorney, Office of General Counsel, Commodity Futures Trading Commission, 1155 21st Street, NW, Washington, DC 20581. Telephone (202) 418-5120. E-mail: Eritter@cftc.gov, jhammar@cftc.gov.

SEC: Ira L. Brandriss, Special Counsel, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-1001. Telephone (202) 942-0148.

SUPPLEMENTARY INFORMATION: The Commodity Futures Modernization Act ("CFMA"),¹ which became law on December 21, 2000, establishes a framework for the joint regulation of the trading of futures contracts on single securities and on narrow-based security indexes (collectively, "security futures") by the CFTC and the SEC. Previously, these products generally were

statutorily prohibited from trading in the United States. Under the CFMA, designated contract markets and registered derivatives transaction execution facilities ("DTEFs") may trade security futures if they register with the SEC and comply with certain other requirements of the Exchange Act.² Likewise, national securities exchanges and national securities associations registered under Section 15A(a) of the Exchange Act³ may trade security futures if they register with the CFTC and comply with certain other requirements of the CEA.⁴

To distinguish between security futures on narrow-based security indexes, which are jointly regulated by the Commissions, and futures contracts on broad-based security indexes, which are under the exclusive jurisdiction of the CFTC, the CFMA also amended the CEA and the Exchange Act by adding an objective definition of "narrow-based security index."⁵

This definition excludes from its scope certain security indexes that satisfy specified criteria. A futures contract on an index that meets the criteria of any of the six exclusions from the definition of narrow-based security index is not a security future under the securities laws, and thus is subject solely to the jurisdiction of the CFTC.

One such exclusion was enacted by Congress essentially as a temporary "grandfather" provision, permitting the offer and sale in the United States of security index futures traded on or subject to the rules of foreign boards of trade that were authorized by the CFTC before the CFMA was enacted.⁶ Specifically, this exclusion provides that, until June 21, 2002, a security index is not a narrow-based security index if: (1) It is traded on or subject to the rules of a foreign board of trade; (2) the offer and sale in the United States of a futures contract on the index was authorized before the date of enactment of the CFMA; and (3) the conditions of such authorization continue to be met.⁷

Because the Commissions' staffs previously determined that such foreign index futures were not readily susceptible to manipulation, such index futures commenced trading under the

² 15 U.S.C. 78a *et seq.*

³ 15 U.S.C. 78o-3(a).

⁴ 7 U.S.C. 1 *et seq.*

⁵ Section 1a(25) of the CEA, 7 U.S.C. 1a(25), and Section 3(a)(55) of the Exchange Act, 15 U.S.C. 78c(a)(55).

⁶ Prior to the effective date of the CFMA, these futures contracts were offered to U.S. customers pursuant to no-action letters issued by the CFTC and its staff, to which the SEC did not object. *See infra* note 8.

⁷ Section 1a(25)(B)(v) of the CEA and Section 3(a)(55)(C)(v) of the Exchange Act.

¹ Pub. L. No. 106-554, 114 Stat. 2763 (2000).